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Mr. Massimo Pacetti

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• (1205)

[English]

The Chair (Mr. Massimo Pacetti (Saint-Léonard—Saint-Michel, Lib.)): Order. We're here pursuant to Standing Order 83.1 on the pre-budget consultations for 2005.

I'll allow you a seven- to eight-minute opening statement. If you could keep it to that, I would appreciate it. I'll try not to cut you off, but time is limited, and members are going to want to ask questions as well.

Mr. Harvey is not here. He had been first on my list.

From the National Anti-Poverty Organization, Mr. Howlett.

Mr. Dennis Howlett (Executive Director, National Anti-Poverty Organization): Actually, Paulette is going to start. Paulette is the president of the National Anti-Poverty Organization.

The Chair: That's fine.

Madam Paulette Halupa (President, Board of Directors, National Anti-Poverty Organization): The National Anti-Poverty Organization is a non-profit organization representing 4.9 million Canadians currently living in poverty. Our mandate is to eradicate poverty in Canada. We are known as the voice of the poor, because our 19-member board is made up of people who live or have lived in poverty at some time in their lives. Our membership is made up of low-income individuals, organizations that provide direct and indirect services to the poor, and other concerned Canadians.

I know that you guys have our brief, so I'm just going to go over the main points on what we feel poverty is like today. We're very concerned that poverty levels have been underestimated since 1989, so rates are actually higher than previously believed. Of course, this is not a surprise to anybody who has lived in poverty or anybody who works with poverty. We were well aware that the facts seemed very low to us, so this wasn't a surprise; it may have been for some people who weren't as concerned.

The depth of poverty continues to grow, particularly for the recipients of social services. The National Council on Welfare distributes a book on welfare incomes each year. Actually, people who work in the area, people like me, find that even their numbers are artificially heightened. When they're getting their information, they're giving the highest point on the scale of what someone would receive. They don't give the exact number of what each person receives. If you have special needs and stuff like that, that will be added in. And that's not what everyone receives, so those numbers are artificially high. They're not good to begin with, so you can imagine how much worse it is.

Youth poverty is a very emerging issue. Even in P.E.I., where I'm from, we are finding we have more and more youth who are poor. We have youth who are trying to attend university and colleges who can't afford to live, who are spending their time couch-surfing, going from one house to the other. Some people have actually been on the streets this year.

Child poverty is on the rise again. We've had some improvement, but it's again becoming very high. Other countries, such as Denmark and Finland, have child poverty rates of 2.4% and 2.8%, and certainly Canada should be trying to follow suit, considering we are a very wealthy nation.

Work is no longer a guarantee that you're not going to be in poverty. We have single parents who are unable to support their families. We have two parents working in a household and still not being able to get over the poverty line due to the fact that most of the jobs now are part-time jobs. Places like Wal-Mart and McDonald's and other corporations continuously search for people they can keep under that level. They do not want to pay benefits, they don't want to pay a decent wage, so they target the young.

I want to speak about housing and social housing. We're very concerned about this. We're very happy about the bill that was just passed by the finance committee, and with the housing, but we know it can't stop there. We know it needs to be increased. We need to have a government that says that social housing is a priority for them and they're going to make sure the money is there for the following years. We don't want a one-stop approach; we want continuous funding that will see that we're up there.

I attended a UN consultation in Washington two weeks ago, and the rapporteur was very concerned about the abuse of women. He thought the abuse against women was systemic, because there are so many women who are suffering from not being able to find adequate housing who are having to stay in violent homes, inadequate places, where the homes aren't even fit to live in but you have to stay there because you don't have a choice. The amount of money that a single woman or even a family on social assistance gets is not enough to allow them to live in a house that is....

We talk about the energy costs this year. The cost of energy precludes us from having a home that is well-insulated. Our governments are saying that if we go to well-insulated houses.... For instance, in P.E.I. they're going to offer us weather-stripping for our windows and doors. Well, we still have to pay for the oil. If you're in an airtight house, how much better off you are—but if you're in an old farmhouse that you can't heat, what do you do? You have to go without food.

● (1210)

I'll turn it over to Dennis now.

Mr. Dennis Howlett: I want to address the question of productivity, one of the themes you asked us to address.

There are two ways you can increase productivity. The first is what I would call the “vicious” way, which is lowering wages, cutting taxes, and cutting investment in social programs. This will result in increased productivity, possibly. But there is another way, what I call the “virtuous” way of increasing productivity—that is, investing in education, which is one of the advantages Canada has but is in fast danger of losing; supporting people to become part of the labour force, because we are still missing out on the productivity of a lot of people who are unemployed today; and raising the minimum wage. The minimum wage, if it were raised, would actually promote productivity, because it would promote investment in tools that workers use to produce. You want to get the most out of workers that you can with higher wages.

Increasing the minimum wage would also reduce the turnover of staff. Many studies have shown that there is a strong business case to be made for raising the minimum wage. In fact there are some business leaders who are supporting raising the minimum wage, because you reduce hiring costs, you reduce training costs, you reduce absenteeism, and you in fact raise productivity as a result. Countries like Ireland and England who have raised the minimum wage have seen a positive economic impact as a result.

The other point I want to emphasize is the importance of developing a poverty reduction strategy. We really appreciate that, last budget, there were several measures like day care and social housing. Those are important steps. We're starting to move a little bit in the right direction, after many years of going backwards on poverty, but it's not enough to have a program here or there. We need a poverty reduction strategy.

I've just come from Newfoundland, where I met with provincial government officials. They have taken steps to develop a poverty reduction plan for Newfoundland. This is something that needs to be done on a federal level and it needs to be done in a coordinated way with provincial efforts. Some of the measures that would be part of a poverty reduction plan include some of the things that we mentioned in the brief, including raising the child tax benefit. There are increases scheduled until 2007, but the government has not committed to any further increases beyond that.

The child tax benefit is a half measure, and I mean that in a positive way. It has shown some real results in terms of reducing poverty, but the level of assistance is not sufficient to eliminate child poverty. It needs to go up to, we think, about \$4,900.

The other problem is that it's clawed back in many provinces. Eight out of ten provinces reduce their social assistance rates by an amount similar to the supplement. That needs to end. We also need to re-establish the federal minimum wage and improve employment insurance.

Finally, I just want to make a comment about taxes. Simply reducing taxes is not going to help poor people unless it's targeted. A study we did last year showed that the best way to actually deliver tax cuts to the poor would be to increase the GST credit or to reduce the GST amount. If you reduce taxes overall—say, by increasing the individual limit to \$10,000 or \$12,000—when we calculated on the \$12,000 figure, only 3.4% of the benefits would actually go to low-income people.

● (1215)

The Chair: Thank you.

From the New Brunswick Advisory Council on the Status of Women, Ms. Petitpas-Taylor.

Mrs. Ginette Petitpas-Taylor (Chairperson, New Brunswick Advisory Council on the Status of Women): Good morning.

My name is Ginette Petitpas-Taylor, and I'm the chairperson of the New Brunswick Advisory Council on the Status of Women. I'm joined today by Rosella Melanson, the executive director.

Thank you for accepting our request to present to you today. I represent an arm's-length agency of the provincial government whose role is to bring matters relating to the status of women to the attention of government and the public.

Advisory councils exist because the goal of women's equality remains, at best, a work-in-progress. Despite some significant gains, women still earn less than men and are more likely to experience partner violence. Women remain seriously under-represented in decision-making positions, and, especially for aboriginal women and women with disabilities, face discrimination in many aspects of their lives.

Canada has a poor record of compliance with the Convention on the Elimination of All Forms of Discrimination against Women. We need better mechanisms to bring women's concerns to the attention of decision-makers. That's why we recommend that a full minister be dedicated exclusively to the portfolio of status of women and that the parliamentary Standing Committee on the Status of Women have a continuing role in monitoring Canada's action plan on gender equality.

There is another key piece missing for Canada to be in the position to seize every opportunity to improve the status, or at least ensure that our expenditures don't serve to increase inequalities. Government budgets are the technical instruments by which commitments translate into action. If gender is overlooked when it is indeed significant, it is a form of discrimination. When government programs, laws, and budgets are developed without taking women's and men's very different lives and needs into account, only part of the population may benefit from the programs, laws, or budget expenditures.

Canada requires developing countries receiving aid from us to include gender impact analysis; however, Canada has not applied such tools to its own budgetary practices. The Canadian government must include in its budget process an analysis of the impact of proposed fiscal measures on gender equality. The process should ask questions such as, one, what data used in the budget planning and program evaluation is not available by sex? Two, does the budget's allocation follow the government's commitment to equality? Three, does it treat women and men fairly, and try to close gaps where there are some? And finally, what is the impact of taxation or revenue policies on women and men?

Currently, implementation of gender-based analysis in the federal government is uneven. Key central departments have no policies in place. Systematic application of GBA should be a legislated requirement for all federal initiatives, and audits of the government's performance on women's equality should be made public to all.

Another area of concern is aboriginal women. About two years ago, a United Nations committee pointed to the persistent, systematic discrimination faced by Canada's aboriginal women in all aspects of their lives, and insisted that Canada introduce proactive measures to ensure that aboriginal women can exercise their rights in all areas. There are jurisdictional conflicts between federal, provincial, and first nation governments, but the federal government must find a solution to accelerate efforts to address the inequalities faced by aboriginal women in Canada. We are thinking of measures to address poverty, the incidence of violence, and the problems relating to status and band membership.

Canadians should be outraged that human rights legislation does not protect aboriginal persons. Legislation also fails to protect aboriginal women when a couple separates. Women living on-reserve have fewer rights regarding their marital home, during a marriage and when a marriage ends, than do those living off-reserve, since provincial-territorial marital laws providing for equal division of marital property do not apply on-reserve.

Even in cases involving domestic violence, women have no rights to remain temporarily in the family home after the breakdown of a marriage or common-law relationship. By contrast, married women living off-reserve have the right to an equal division of marital real property, and, in cases of family violence, can go to court and apply for exclusive possession of the marital home. The matrimonial real property issue is just one of a series of interconnected problems facing aboriginal women.

• (1220)

Let's look a little bit now at child care. Currently in New Brunswick there are more reasons not to have children than to have

them. Child care is one obstacle. Most children in New Brunswick, as elsewhere in Canada, are cared for in settings that are not held to minimum standards, mostly because no other options are available or affordable.

There is another challenge that New Brunswick shares with several other provinces, and that is one of delivering quality services to rural areas. A firm commitment to basic quality principles and adequate public funding are essential if we are to move forward. The federal-provincial child care agreement, when it is signed, must provide universally accessible and publicly subsidized quality early childhood education care programs to all.

Let's look now at the issue of maternity and parental leave. The current leave provisions available through the employment insurance program are a major improvement, but they are very inadequate, given family needs. Self-employed persons should be able to contribute to EI for purposes of the maternity parental leave. A 46-week paid, non-transferable paternity leave should be created to encourage fathers to participate. The waiting period should be eliminated, and the benefits increased from 55% of insurable earnings to 65%, based on the best 12 weeks of earnings in the last three to five years, let's say. Furthermore, a national caregiver strategy should be developed for families that are taking care of family members other than children.

Let's look at the issue of taxation. Families with young children face particular financial challenges, and they feel distinctly undervalued by our fiscal system. Significant refundable tax credits for dependent children should be made available to all families with children so that they may be better compensated for the cost of raising children.

Spousal support payments should be made non-taxable for the recipient and non-deductible for the payer, just as health support payments are already. Relatively few women receive spousal support payments, but there is no reason to treat two individuals who are no longer spouses as one tax unit. Providing a form of income-splitting is not allowed for people who are still married. Because spousal support benefits are taxable income, some recipients see their GST tax credit and Canada child tax benefits reduced, since these credits decrease as income increases.

[Translation]

Social assistance funding. Current federal-provincial funding arrangements for social assistance are in dire need of reform. During the decade following the replacement of the Canada Assistance Program by block funding, provincial and territorial governments have cut back their social programs and we have witnessed growing income disparities across the country.

The Canada Social Transfer should be split into two separate envelopes for social services and post-secondary education. Minimum national standards for social assistance should also be established. Funding stability should be guaranteed.

Finally, legal aid programs have suffered major cutbacks and the services offered across the country are limited, fragmented and uneven. The federal government should establish national standards and increase funding. Currently, the provinces set their own rules as to the types of cases that qualify for legal aid as well as the financial criteria to determine who is entitled to publicly funded legal services.

In New Brunswick, as in the other provinces, legal aid is very limited. Women are particularly affected by this situation, given their lower incomes and family responsibilities. We know from calls received at our office and from stories reported to law reform organizations that many women who are struggling with serious civil law issues, such as divorce or child custody, have had to represent themselves. As a result, women are representing themselves in complicated legal matters or are failing altogether to access their legal rights and the rights of their children.

Finally, I would like to talk to you about a study that the advisory council sponsored last year and which demonstrates that equality brings benefits not only to women but also to the economy. The advisory council has for many years been demanding measures to fill the gap between the average salary of women and that of men.

We asked ourselves a very simple question, namely what consequences would the elimination of pay discrimination against New Brunswick women have on the public purse. In other words, what is the cost of the present salary gap? We asked GPI Atlantic to study this question taking into account the government's fiscal revenue and the costs related to health care and social programs.

The GPI Atlantic study concluded that the elimination of wage disparity between men and women could bring about an increase of approximately 11 percent of the federal and provincial governments' revenue from the personal income tax paid by New Brunswickers. The government of New Brunswick would receive an extra 105 million dollars in personal income tax revenues just from the elimination of this wage gap.

Given that poverty is a major cause of health problems, in our study, we took into account the impact rising income levels would have on the usage of health care services. We have concluded that in 2003, New Brunswick would have saved close to 60 million dollars in health care costs.

•(1225)

The Chair: Thank you.

[English]

We're going to go to the Parents for Quality Care, Madam Dallaire or Madam Cormier-Viel.

[Translation]

Mrs. Manon Cormier-Viel (Group Founder, Parents for Quality Care): Good morning. We will each make a presentation: mine will be in French, and Judy's in English.

Parents for Quality Care came into being in 2001 in the greater region of Moncton. Our mandate is to advocate in favour of high quality, accessible and affordable child care services in the province of New Brunswick.

We commend the all-party Standing Committee on Finance for its recognition of many of the key elements required to build a responsive, community-based, pan-Canadian child care system.

In your recommendations you plead for a national, accessible, affordable, high-quality, publicly funded, publicly regulated, not-for-profit child care system. We are delighted to see that Canada is beginning to move forward. Funding commitments for services and support aimed at families with young children have increased at the federal level. Certain provinces have thus been able to begin developing comprehensive and community-based child care services plans.

Instead of reiterating our views with regard to the research work that has been done and the evidence in support of the need for a pan-Canadian child care system, we have chosen to discuss with you what should be done to ensure that our investment in child care services will increase Canada's productivity. We have prepared and submitted to the Committee detailed briefs, in both English and French, that you have in front of you. As requested, we have drawn up our recommendations with a view to Canada's productivity.

Today, we would like to draw to your attention two key elements: child care services increase the productivity index if they are of good quality, affordable and accessible to all children and their families, and

[English]

they require public investment through specific program spending.

[Translation]

We believe that a universal approach is necessary in the area of child care services. A growing number of studies have confirmed that quality health care services benefit all social and economic classes in society. They benefit children, their families and society as a whole. This is why public investment in quality child care services must be supported by principles of affordability and accessibility for all, in other words universality.

[English]

Mrs. Jody Dallaire (Coordinator, Parents for Quality Care): Hi. My name is Jody Dallaire. I'm also with Parents for Quality Care, a Moncton-based advocacy group. I'm going to talk about the impact on productivity of child care.

Child care enhances productivity growth in Canada. Public investment that is specifically used to build a child care system will address at least two of the productivity areas that the committee has identified for action: human and physical capital.

In terms of human capital, we know that enhancing productivity growth in Canada requires a skilled labour force. The evidence shows that high-quality, affordable, and accessible child care supports labour force attachment, skills training, and lifelong learning today, particularly for women. Child care also promotes the development of a highly skilled labour force for the future.

Canada's productivity relies on working mothers with young children. That reliance is increased because of the widely predicted shortages of skilled labour force, occurring today, a fact that the standing committee acknowledges in asking respondents to consider actions to encourage citizens to engage in work, rather than in leisure, and invest in lifelong learning.

In terms of physical capital, communities becomes desirable places in which citizens can work when children and families are valued, when those needing extra care and attention are supported, and when services are adequately resourced. Like schools and libraries, investing in physical capital through community-based child care helps build desirable communities.

Child care requires public investment through program spending. In order to achieve our child care goals, we need a public investment through program spending, along with effective public policy, established through national legislation. In the meantime, the current child care agreements between federal, provincial, and territorial governments can provide a foundation on which a pan-Canadian child care system can be built. If the federal public investment through program spending is increased and sustained over the long term, if provinces and territories implement plans that are evidence-based, and policies that ensure quality is increased, affordability is enhanced and community-based services are expanded.

While public investment through program spending on child care is required, how these public funds are invested by the provinces and territories is also crucial. For example, proposals to provide funds directly to parents may be superficially appealing, but they are not new, nor are they effective. Over the last 30 years across Canada, individual user fees and subsidies have been the primary funding sources for child care, yet outside of Quebec we still do not have widespread quality, affordable, and accessible child care.

Public accountability requires investing new funds in ways that are most likely to address these concerns. An effective child care system requires substantial public funding to develop and operate community-based, non-profit care programs. Direct public funding demands community-based services to develop programs that meet local family needs and ensure accessible and quality service.

This approach links public investment and public outcomes. In order to ensure that a range of high-quality centre and family-based

child care services exist in our communities, programs need to receive and be accountable for direct substantial and sustained public funding.

Thank you.

● (1230)

[Translation]

The Chair: Thank you, Ms. Dallaire.

[English]

I would just remind the witnesses that members each have five or six minutes, but that includes questions and answers. If you could keep your answers to a brief intervention, I think we would all appreciate it.

Mr. Moore, we'll start with you, for five minutes.

Mr. Rob Moore (Fundy Royal, CPC): Thank you to all the witnesses. It's interesting to hear all of your comments.

My first question is for Parents for Quality Care. Your proposal, of course, is very timely, because this is a debate that we're having now. You're from the Moncton area, and as you know, in New Brunswick there is an ongoing issue on how exactly this is going to work. New Brunswick is one of the only provinces that hasn't signed on so far.

Now, my riding of Fundy Royal is in New Brunswick also, in the neighbouring riding to this one. So there's a mixture of urban and rural areas. I note that you addressed the issue of providing parents with funding directly, and I guess I'm wondering about the position of your group.

Are you suggesting, then, for parents who raise their children at home, that this is the wrong choice, that they shouldn't do that? The system you're advocating is publicly funded money going only into the publicly funded system and universal system. Are you saying that parents who choose that other way should get nothing, then?

Ms. Jody Dallaire: No, that's certainly not the position we're advocating, that parents who stay at home receive nothing. Right now in New Brunswick, 75% of mothers with young children are in the paid labour force. The calls that we receive, as a parent's committee, come mostly from women who can't locate child care to return to work.

So I do believe we need to recognize the contribution made by parents who do choose to stay at home, but I don't believe we should take the limited funding that's available right now for child care and dilute it, because the funding that is coming to the province won't even address all the needs that are there now to create a system.

• (1235)

Mr. Rob Moore: Okay. A number of different child care options are currently out there. There would be a system like the one you're talking about, there are parents whose children stay with their grandparents, or parents who, for one reason or another, would like their children to stay with a neighbour they know who provides those kinds of services. What do you envision providing in the future in terms of support for people who make that type of choice?

I'll give you an example. In my area there's a strong rural component. People who work in the Sussex area, for example, might be commuting to Saint John or Moncton, but they also may want to have a grandparent care for their child. Do you propose anything to help those families out?

Ms. Jody Dallaire: I know that, right now, as a working mother, and from what I've been hearing from other parents, there is no choice. Only one in nine children have access to regulated child care. Often the people who are choosing grandparents or unregulated care aren't necessarily making that choice; they're doing it out of necessity. Some people will continue to choose grandparent care and unregulated care, but I think we need to go down that road of creating a system that actually allows people to make a choice. Right now that choice is not available.

Mr. Rob Moore: Thank you.

I have a question for the Advisory Council on the Status of Women. Perhaps you could elaborate a bit on your comments with regard to what's happening within the aboriginal communities. You're probably aware that Senator Kinsella, who is from New Brunswick, has introduced a private member's bill that deals with that very issue of extending the rights under the Canadian Human Rights Act to those who are in aboriginal communities.

I'm wondering what you feel the impact of that would be if those protections were extended to those in aboriginal communities, specifically women.

Madam Rosella Melanson (Executive Director, New Brunswick Advisory Council on the Status of Women): We're aware of this possibly going ahead, and that's good; whatever it takes to give protection under the Human Rights Commission to women. I think women would be the first ones or the most eager ones to look for protection or to lay complaints, because we hear from women at this level, whether it's to do with housing, marital property, whatever. When we hear about aboriginal issues in Canada, it's rarely to do with aboriginal women's issues, and yet they are probably the lowest of the low in Canada.

Mr. Rob Moore: Thank you.

The Chair: Thank you, Mr. Moore.

[Translation]

Mr. Loubier.

Mr. Yvan Loubier (Saint-Hyacinthe—Bagot, BQ): Thank you, Mr. Chairman. I have several questions to ask and several comments

to make. Given our tight schedule, I will deliver everything in one fell swoop.

There is one thing I do not understand with regard to aboriginal women. I was for two years my party's critic for Indian and Northern Affairs. The Standing Committee on Aboriginal Affairs and Northern Development met with most aboriginal leaders. The great majority of them—Mr. Hubbard could bare witness to this, because he was also present—wanted to resolve the issue of the distribution of matrimonial property for couples that separate. This has been around for years. In 1997, when the Erasmus-Dussault report of the Royal Commission on Aboriginal Peoples was published, this situation was underscored. There seemed to be a consensus.

How is it that the federal government, the aboriginal peoples' fiduciary in Canada, who is therefore responsible for what can occur under basic laws covering the freedoms and rights on reserves, did not move more quickly on this question, given that it has been the object of intensive debate for at least ten years now?

Madam Rosella Melanson: That is a good question that should be asked in Ottawa, and not here. There are all sorts of people who are interested in seeing that happen, but it seems that for a good many others it is not a priority. It is indeed a problem that people have been aware of for a long time. There is no good reason for it to have not yet been resolved.

We, just like you, have many issues to resolve and we are beginning to realize that we should put this one on top of the list, in order for it to garner the attention it deserves, because women should be the first in line given the seriousness of their needs.

• (1240)

Mr. Yvan Loubier: If I well understand the problem, the only way to have the Charter of Rights and Freedoms apply to reserves in the area of assets distribution is through legislative change. That is the only solution. It is not a matter of amounts of money; it is a matter of the welfare of the two spouses.

Madam Rosella Melanson: Obviously, there are interests. This must certainly have an impact on band councils. We however have reason to believe that human rights in Canada apply to all of those who live on reserves.

Mr. Yvan Loubier: Has the government of New Brunswick passed pay equity legislation? If such is the case, have the results been slow in coming? Is it like the situation in Quebec?

Mrs. Ginette Petitpas-Taylor: The province has not passed a law per se. However, we are working on the pay equity file. We are meeting with the minister next week and we will discuss this issue at greater length.

Mr. Yvan Loubier: Good. Even if a law is passed, make sure that the process is rapid. It is not always easy.

I have a question with regard to child care services. In Quebec, we have been experimenting with this for six years now. Before reaching the stage of the presentation of the bill at the National Assembly, there was quite a debate, similar to that which is under way in Canada, especially with my Conservative friends. There is talk of freedom of choice, of letting people choose to stay at home with their children, to have them looked after by grandparents or in specialized day care centres.

The law was passed in Quebec, and after two or three years, there was no longer any opposition. People realized that that is the way things should be. The system is not 150 percent perfect. There are adjustments to be made, as is the case for any new system. But, fundamentally, parents are happy.

Is this the type of system that you wish to implement here? Does the population seem to prefer the idea of having some kind of tax credit or special tax treatment to allow parents to pay for child care, or would it prefer to leave it up to the government to grant money directly to early child care centres in order for them to be able to offer a very low daily rate of \$5 or \$7?

Mrs. Jody Dallaire: We would like to have a system similar to that of Quebec, universal. Given that there are a lot of people in our province who live in rural areas, there is a need to find innovative ways of supplying services to these regions. There are women living in other areas of Canada who have done interesting things in view of offering regulated services in rural areas. We want to learn from them and determine how to fulfil our needs while taking into account the rural nature of the province.

Mr. Yvan Loubier: There are early childhood centres throughout the rural regions of Quebec. Mine is a semi-rural riding, and there are early childhood centres in those rural areas. They have been set up: there are small ones, minuscule ones, larger ones, but this fits the socio-demographic reality of the region. I can therefore tell you that it is doable. It is not a matter of population density, but simply of having initiatives that can be funded by the government.

The Chair: Thank you, Mr. Loubier.

Mr. Godin, you have two minutes.

Mr. Yvon Godin (Acadie—Bathurst, NDP): We do, indeed, not have very much time available to us to discuss such important issues.

Let us talk about the status of women in New Brunswick. I would like to underscore a very unfortunate aspect, and I do not know if you have pressured the provincial government in this area, given that your organization was established by the provincial government. It is however a matter that also concerns the federal government.

Did you know that there are approximately 800 women who work for the Red Cross and who offer home care services to the aged? These women earn minimum wage. I remember that in 1992, they did not get paid for legal holidays because they were considered to be servants. The provincial government is therefore paying starvation wages to Red Cross staff.

Earlier, witnesses told us that there should be distinct envelopes for social services, education and home care, in order to help those wishing to live at home. Here again, it is women who are suffering, because the majority of workers in this field are women.

I remember meeting a minister responsible for the status of women. She was wondering why we would pay a woman \$7 an hour to give home care when a social worker could be had for \$3.50 an hour. It is my belief that the government's attitude has not changed in relationship to this.

What budgetary recommendation would you make in this regard to the federal government?

• (1245)

Madam Rosella Melanson: For us, home support services are a major concern. There are indeed many similarities with child care workers: most of them are women and they are poorly paid.

Last winter, we launched a campaign aimed at getting some 30 municipalities and 25 associations to adopt a motion to pressure the government in this regard. We believe that this type of social service will lead to a crisis. The problem will be resolved, either because there is a crisis, or because there is a major unionization movement or because there is a scandal. One way or the other, a crisis is in the offing.

Finally, the advisory council sits on the Employment Adjustment Committee in order to study the situation. It attempts to put forward solutions in order to resolve the retention and recruitment problems in this area. It is obvious that if there are such problems it is because the work is not well paid and employees must cover their own expenses, etc.

Mr. Yvon Godin: I would like to talk about employment insurance. I embarked upon a national tour with stops in 22 cities and I attended 53 meetings in the course of 30 days. I noted that many women in the secretarial field were let go and that they now work from home. These women are therefore self-employed workers who do not qualify for employment insurance but could be in need of assistance, given that they do piece work. I believe that today only 32 percent of women qualify for employment insurance. There is also the pay equity aspect as it pertains to the income of people who have been excluded from the system.

Have you dealt with this issue in your recommendations to the federal government with regard to employment insurance?

Madam Rosella Melanson: In fact, with regard to employment insurance, we have talked about maternity and parental leave. We are aware of the fact that more and more women hold atypical jobs, working at home or working part time. This is of great concern to us and this is in part the reason for the wage gap. These issues are mentioned when the wage differential that still exists in New Brunswick is discussed.

Mr. Yvon Godin: With regard to child care, you would like to have a system resembling that of Quebec, which suits women who decide to go to work and who are unable to have a caregiver in their home.

What do you think of the fact that the premier of New Brunswick is stalling the agreement with the federal government in this area? Is it not true, as I believe, that this is very harmful to working women?

Mrs. Jody Dallaire: Indeed. We would like to see an agreement signed as early as possible and the money injected into regulated child care centres, as provided for.

Those women or men who choose to stay at home could, they to, benefit from a part time child care service system for the socialization of their child a few hours a week, if they were given that opportunity. But for the time being, this option is not available to families in New Brunswick.

• (1250)

The Chair: Thank you, Mr. Godin.

Mr. Hubbard.

[*English*]

Hon. Charles Hubbard (Miramichi, Lib.): Thank you, Mr. Chair.

I have just a few minor questions. First of all, in the anti-poverty presentation on page 2, you say, "The poverty gap for social assistance recipients remains appalling high—as much as \$18,937... in Ontario."

What does that really mean, what you're saying there? A family of four in Ontario should have an income level of how much in order to be above the poverty line?

Mr. Dennis Howlett: That's referring to how far below the poverty line they fall. There are various measures of poverty. The most commonly used is the low-income cut-off.

Hon. Charles Hubbard: But I'm asking, what is the poverty line that you're using? Is it, like, \$30,000 a year for a family of four?

Mr. Dennis Howlett: Yes, it's around that. But it depends on the size of the city. A city like Toronto has a higher poverty line because of the cost of housing. The poverty line is actually a little lower in a province like New Brunswick because the housing costs are generally lower.

Hon. Charles Hubbard: If we move that to Summerside, Prince Edward Island, what would it be there for a family of four? Would you know just off the top?

Madam Paulette Halupa: No, I wouldn't have the numbers with me—but I can speak to it personally.

Hon. Charles Hubbard: No, we probably all could do that. When you make a national program, it's very difficult, because housing is such a big factor in Toronto, for example, as opposed to maybe even Moncton or Summerside.

As you deal with in your presentation, children are the most affected by this—the children who go to school without breakfast, have no money for lunch, can't participate in the sports programs because they can't afford the equipment. Take even the Boy Scouts of Canada today; it costs about \$300 a year for a parent to have a boy scout involved in their programs over an annual basis. Really, it's a very difficult situation that many families are faced with.

I think, Mr. Chair, we should make note of that. I don't know what policy we could bring in that would work nationally.

In the status of women presentation there were a lot of very strong points. I'm sure the aboriginal matrimonial business is much bigger than someone simply getting up in the Senate, in all good faith, to make a bill, because it's very deep. It goes back to 1982 constitutional matters that were brought back from Britain and so forth, and dealing with the charter that was brought in.

Also in your presentation you talk about women and the separation of spouses. I think probably often just as big an issue—and I glanced at this very quickly—is the great difficulty in this country to make spousal support work. The provinces try to address that issue, but I wonder if there are any suggestions in terms of the husband who leaves Moncton and goes to work in Calgary, leaving his wife and three kids here without any support. That is a very serious issue.

Is there any federal way that we could attempt to provide some system to see that spousal payments really are paid? I don't mean to throw you completely, but it is a very big factor in this country. I don't know what percentage of spousal payments really are paid, but it's a very significant number where a wife has to somehow cross provincial borders in order to try to come to....

Perhaps I'll go on to child care, and maybe we can come back to that.

On the Quebec system, I think 60% of the children in Quebec are involved with child care, but still a very significant number doesn't get that attention, that program. I know it is increasing, but they've had to increase from, what, \$5 to \$8? Everybody in Quebec is mad about this big increase, but in New Brunswick it probably runs at about \$25 or \$30 a day per child, right?

You're saying that, really, what we should do is start with what we have rather than worry about what we don't have. Is that what you're saying, that it's better to fund what we have, and put the money there, than to try to worry about somebody who lives in a little place like mine, Red Bank, and who doesn't have access to a place in their community?

• (1255)

Ms. Jody Dallaire: I guess our position is that we do have to start with what we have. Right now, in our province, about 70% of child care is delivered commercially, so we certainly need to support both non-profit and for-profit care. But I think we need to expand the amount of spaces. We also need to expand in the areas where child care services are available. I think we should start by targeting areas where child care is not available and grow it over time.

Hon. Charles Hubbard: Both of you are involved with the program. There's about \$23 million...or I forget. What's the figure for New Brunswick, does anyone know?

Ms. Jody Dallaire: It's \$100 million over five years.

Hon. Charles Hubbard: So that divides to about \$20 million or so per year. What would it do for you, in the programs that you know about in, let's say, Moncton? It's costing a mother right now, or a father, let's say about \$25 or \$30 a day to have a child in a program.

Ms. Jody Dallaire: I think it depends on how the money is invested. I think the money needs to go not as subsidies to parents but directly to facilities, so that they can plan. Right now a lot of facilities are hovering on the verge of bankruptcy. If they can plan long term, we need targets and timelines to plan over the long term to make the system sustainable. We have to change the way we fund child care, because right now it's funded primarily by parent fees.

The Chair: Thank you, Mr. Hubbard.

Mr. Solberg.

Mr. Monte Solberg (Medicine Hat, CPC): Thank you very much, Mr. Chairman, and thank you to all of you for your presentations.

First of all, I just want to say that I appreciate the Advisory Council on the Status of Women raising the issue of matrimonial property rights, because this is something that perplexes me. I mean, I've been a member of Parliament for 12 years now, and this has been an issue on and off through that entire time. Senator Kinsella is moving this forward, and I know that one of my colleagues, Brian Pallister, has pushed this issue many times.

I just do not understand why this has not been resolved. To me, it's an issue of fundamental justice. In a country that prides itself on trying to be just, it perplexes me. I just don't understand it. So I appreciate you raising that. I hope you'll continue to raise it. You certainly will have our support if you push it, as we've tried to push it a number of times ourselves.

I do want to go to the issue of child care. Ms. Dallaire raised the issue of choice, and the fact that very often parents don't have a choice today. They have to use whatever child care they can get, even though they might want a regulated space. I agree; I can see that being an issue. The other side is that people who would like to have the choice of staying home may not have that choice because they're too heavily taxed, there are two parents working, or they don't have enough income coming in, or whatever it is.

What's wrong with a system where you pay parents directly? Ms. Petitpas-Taylor raised the issue of a refundable credit. What if you paid parents directly and then just let *them* decide? If people want to choose regulated day care, then they could do that, or they could choose to stay home or have grandma look after them.

What's wrong with that kind of system?

Ms. Jody Dallaire: The first thing is that it doesn't do anything to create spaces. As I mentioned before, a lot of child care facilities are struggling financially because they don't have funds to plan over the long term.

I guess the other thing is that I know there are a couple of economists who did a study of exactly that, of what it would cost to pay parents to stay at home. We actually included that in our brief on page 4. They estimate that if all mothers with children under the age of six were to leave the labour force, the employment in Canada would shrink by 7.5%. In the long run, it would cost the Canadian economy \$85 billion a year, eight times the cost of universal child care.

Mr. Monte Solberg: Thank you for that. This reminds me of something Ms. Halupa was saying, though. When you take the

worst-case scenario and posit it as the outcome, it really exaggerates, of course, the real impact. I would just caution against that. I think Ms. Halupa had a good point when she raised this before, when she was talking about benefits.

That said, even if we accept this apocalyptic scenario, really, whose choice is it? Shouldn't it be parents' choice? If we believe in choice, and you made that point before, shouldn't it be up to them?

● (1300)

Ms. Jody Dallaire: Right now parents are directly funding the service, and it hasn't generated the space. So the only way to generate the space is by publicly investing in the system.

Mr. Monte Solberg: How are parents funded directly now?

Ms. Jody Dallaire: Right now there's funding for low-income families who can't afford child care, either unregulated or regulated, but it does nothing to generate spaces. So parents who can't afford the space are subsidized.

Mr. Monte Solberg: But there are spaces over and above those directly subsidized by the government, correct?

Ms. Jody Dallaire: There are spaces for one in nine children in the province.

Mr. Monte Solberg: My point is that there are some spaces that are created—and maybe you don't feel there are enough, but there are some created—even though those spaces aren't created directly by the government. They come through individual parents paying for spaces, and somebody saying, either through a non-profit or a profit type of organization, “We think we can make a business or have an organization that can be sustained over a period of time”, right?

Ms. Jody Dallaire: I know right now who really is subsidizing the cost of child care: the staff. When we had two preschool children in child care, we were paying \$12,000 a year. Even with that revenue from parents, some subsidized by government, the staff are still only making poverty-level wages. They're the ones who are subsidizing this program right now.

Mr. Monte Solberg: To the anti-poverty coalition, I note you had a section on housing, but I didn't see anything in there on co-op housing. I'm wondering if you have a particular opinion on that.

I don't think there's been co-op housing or units built in a long, long time in this country, and I'm wondering why. That always struck me as sort of a better, more humane way to provide housing than to build a bunch of units all together and maybe not have the proper mix of housing that produces the best outcomes.

Mr. Dennis Howlett: I would agree with you that co-op housing is a great model. In fact, it's one that Canada pioneered and that other countries have looked to. The real problem is that the federal funding for housing was practically eliminated in 1995, and we've gone a long time without money available. So the number of new units that co-op houses were able to build has been drastically reduced.

We are hopeful that some of the new money that has been committed in the last budget will be available to support co-op housing. The government actually just signed an agreement with the Co-operative Housing Federation to govern support for the co-op housing sector. So we are hopeful that this will be a renewed part of the housing solution, which we need.

The one thing we would caution, though, is that with social housing, there needs to be a guarantee that a portion of it is targeted to people in real housing need. Some of the programs from the past have had too much going to people of moderate housing need or of moderate income, and there's a huge crisis in terms of affordability for those who are the poorest. So there needs to be a certain amount set aside for those in the lowest income bracket.

The Chair: Thank you, Mr. Solberg.

Just for your information, in Quebec we're doing co-ops, even in my riding, which doesn't need any affordable housing, or one side of it. They put together a co-op project and it's working very well.

Ms. Petitpas-Taylor, you recommended, on your page 7, that federal authorities undertake consultation with the provinces to establish national standards for employment protection as it relates to maternity and parental leaves. But do we not have that already? I thought we already had that under employment insurance. Maternity leaves are already established. Wouldn't that be national standards? Are you looking for something additional, perhaps?

• (1305)

Madam Rosella Melanson: The ability to take the leave should be the same in all provinces, or there should be a better standard across all provinces. New Brunswick is actually not so bad in that sense. Our provincial employment standards law says that we can access leave even if we were just hired yesterday at a job. We don't have to work six months or a year, as in some provinces. There are differences in the employment standards legislation of the provinces. And that's what we're saying, that there should be more uniformity across provinces.

The Chair: I thought that was already federal legislation. So that's provincial. Each province decides—

Madam Rosella Melanson: Each province has one.

The Chair: So it's not standardized. Thank you for that.

Thank you to the witnesses. It was a small group, but as you saw, the questions were varied.

Madam Paulette Halupa: Can I just have half a minute?

The Chair: All right.

Madam Paulette Halupa: Mr. Hubbard was asking about something that could be done federally that would improve the situation of children going to school hungry and not being able to access programs that other children have: stop the clawback of the child tax benefit. Every increase you give me is taken off me, dollar for dollar. That was intended to help poor parents. There's nobody poorer than somebody on social assistance.

Mr. Monte Solberg: Not in New Brunswick; New Brunswick and Manitoba don't.

Mr. Dennis Howlett: That's right. Paulette is from Prince Edward Island. We should acknowledge New Brunswick.

The Chair: Thank you.

We'll conclude the meeting. I understand that the issues are not easy to address, but that's why we're here. We're trying to get some feedback from you.

Again, thank you for taking time out of your day. We appreciate it.

The meeting is adjourned.

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